



INSURANCE FRAUD INVESTIGATION DIVISION
Kentucky Department of Insurance
909 Leawood Drive, P. O. Box 4050, Frankfort, KY 40604-4050
Phone 502-564-1461 – FAX 502-564-1464
Fraud Statistics/Convictions Activity
June 2012

Fraud Statistics

	<u>Month/June</u>	<u>YTD</u>
Total Referrals Received	177	1,033
Closed Referrals	177	967
Open Cases (Investigations-includes prior years)		285
Assigned Cases (Investigations)	20	114
Closed Cases (Investigations)	16	58
Closed Cases (Investigations) Exceptionally Cleared - Declined by Prosecutor	1	
Charges (2 felony, 0 misdemeanor)	2	53
Convictions (0 felony, 2 misdemeanor)	2	59
Restitution Ordered	\$ 1,560.00	747,366.85
Restitution Agreed	\$ 0.00	771,188.00
Total Restitution	\$ 1,560.00	1,518,554.85
Investigation Expenses to Division		
Awarded .	\$ 500.00	20,439.15
Collected	\$ 235.32	2,236.94
DOI Fines	\$ 0.00	5,000.00
Administrative subpoenas issued	1	10
Non-licensed individuals	1	10
Licensed (active/inactive individuals)	0	0
Subpoenas Received	1	11

Convictions Activity

Jessica Morgan – The claims department for AFLAC contacted the provider to verify dates of treatment for Morgan. Two disability claims submitted by Morgan were altered and did not match the date given by the provider. Morgan entered a plea agreement to two counts of fraudulent insurance acts less than \$500 and was sentenced to 12 months, probated for 24 months. She was fined \$1,000 with \$750 suspended on each count. The remaining \$500 was to be paid to the Department of Insurance. Morgan was ordered to pay court costs in the amount of \$130 and restitution to AFLAC in the amount of \$1,560.